

NEW MEXICO BULLETIN



New Mexico Exempts 100(+)-Year-Olds From Personal Income Tax

Beginning in tax year 2002 anyone who reaches 100 years of age is exempt from personal income tax in New Mexico if that person is not claimed as a dependent by another taxpayer (Section 7-2-5.7 NMSA 1978). *A spouse is not a dependent.*

All persons required to file federally, including citizens of other states, must file a New Mexico tax return when they have income from New Mexico sources. If, however, they are 100 years old or older and are not claimed as a dependent on another's federal tax form, New Mexico exempts their New Mexico income from taxation. **A New Mexico resident who is not required to file a federal return** is also not required to file a New Mexico personal income tax return. Many low-income and elderly people choose to file for rebates and credits to compensate in part for gross receipts and property taxes paid during the year.

Completing the PIT-1 General Form:

Everyone who files individually in New Mexico completes the PIT-1 general form using the same filing status for state and federal purposes. Because New Mexico is a community property state, problems can arise when the filing status is "married filing jointly." Like "married filing separately" filers, centenarians with separate income can deduct from their base income 100% of the separate property income but only 50% of community income. The centenarian may not deduct a non-qualifying spouse's share. See publication FYI-310, *Community Property, Divorce, Separation and Your New Mexico Income Tax* and the IRS's Publication 555, *Community Property*.

Completing the PIT-ADJ Section on Deductions from Federal Adjusted Gross Income:

The PIT-ADJ schedule includes boxes to check if you or your spouse is a centenarian. The Department disallows the calculation if the boxes are blank. See the discussion immediately above about filing status and the exemption percentage you may claim. If you report an exemption of more or less than 50% of a joint-return total, attach a statement reflecting a correct division of community-and-separate income and payments.

Completing the PIT-RC Schedule of Rebates and Credits:

Centenarians who are physically present in New Mexico for at least six months of the year and are residents on the last day of the tax year must declare their income when they calculate modified gross income to claim rebates and credits. Their income is not excluded for rebates and credits. The PIT-RC instructions define and explain modified gross income. File PIT-RC with PIT-1.

You may not claim the centenarian exemption AND the deduction for 65 and older or blind.

**New Mexico Taxation and Revenue Department
P.O. Box 630
Santa Fe, NM 87504-0630**

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The local state tax offices offer full service and information about New Mexico's taxes, tax programs, forms and specific information about your filing situation.

ALBUQUERQUE (505) 841-6200

Taxation and Revenue Department
5301 Central NE
P.O. Box 8485
Albuquerque, NM 87198-8485

LAS CRUCES (575) 524-6225

Taxation and Revenue Department
2540 S. El Paseo Bldg. #2
P.O. Box 607
Las Cruces, NM 88004-0607

SANTA FE (505) 827-0951

Taxation and Revenue Department
*Visitors go to 2968 Rodeo Park Drive West**
1200 S. St. Francis Dr.
P.O. Box 5374
Santa Fe, NM 87502-5374

ROSWELL (575) 624-6065

Taxation and Revenue Department
400 Pennsylvania Ave., Suite 200
P.O. Box 1557
Roswell, NM 88202-1557

FARMINGTON (505) 325-5049

Taxation and Revenue Department
3501 E. Main St., Suite N
P.O. Box 479
Farmington, NM 87499-0479

Main Switchboard: (505) 827-0700 (Santa Fe)

* The physical office location in Santa Fe has relocated during a renovation of the existing building. While the renovation is in progress, special delivery packages shipped through Fed Ex and UPS should continue to be sent to the 1200 South St. Francis Drive address and mailing through USPS should be sent to P.O. Box 5374 address.

General Information. FYIs and Bulletins present general information with a minimum of technical language. All FYIs and Bulletins may be obtained without charge from all local tax offices, the Tax Information and Policy Office in Santa Fe and the Department's Internet site.

This information is as accurate as possible at time of publication. Subsequent legislation, new state regulations and case law may affect its accuracy. For the latest information please check the Taxation and Revenue Department's web site at www.tax.newmexico.gov.

This publication provides instructions or general information to the taxpayer. It does not constitute a regulation or ruling as defined under Section 7-1-60, *New Mexico Statutes Annotated*, 1978. Taxpayers and preparers are responsible for being aware of New Mexico tax laws and rules. Consult the Department directly if you have questions or concerns about information provided in this Bulletin.